

MEMORANDUM OF AGREEMENT  
BETWEEN THE BORREGO WATER DISTRICT  
AND THE COUNTY OF SAN DIEGO  
REGARDING WATER CREDITS

This Memorandum of Agreement (MOA) between the Borrego Water District (BWD), a water district formed pursuant to California law, and the County of San Diego (County), a political subdivision of the State of California, is entered into on \_\_\_\_\_.

Whereas, the Borrego Aquifer is in a state of overdraft due to the extensive use of groundwater in the Borrego Valley.

Whereas, due to the overdraft condition, BWD plans to implement a program to encourage the voluntary and immediate cessation and/or reduction of measurable water uses to reduce the demand on the groundwater aquifer that is under the Borrego Valley.

Whereas, a key element in BWD's program is the issuance of water credits for the cessation and reduction in the use of groundwater in accordance with BWD's program.

Whereas, due to the overdraft condition, County wants to ensure that proposed uses in the Borrego Valley offset their demand for groundwater by a ratio of least a one-to-one, and water credits issued by BWD that also meet County's requirements are one method that project applicants can use to provide this offset.

Whereas, BWD and County wish to enter into this MOA to set forth the terms by which the County will recognize water credits issued by BWD.

NOW, THEREFORE, the parties agree as follows:

1. The County will recognize water credits issued by BWD if the water credits meet all of the criteria set forth in this MOA.

2. The water credits shall have been issued in exchange for an easement granted to BWD. The easement shall include the following provisions:

a. The easement shall permanently and completely eliminate the extraction, use, storage, distribution or diversion of groundwater on the land subject to the easement, except for one-acre foot of groundwater per year to serve a single-family dwelling.

b. The easement shall designate County as a third-party beneficiary with the right, but not the obligation to enforce the easement. The easement shall give

County the same right of access for purposes of monitoring compliance with the easement and the same options for enforcing the easement as the easement gives to BWD.

3. Before accepting the easement, BWD shall verify that all extraction, use, storage, distribution or diversion of groundwater on the property subject to the easement has ceased, that all crops or turf have been removed and that all pumps and wells on the property, if any, have been disengaged or rendered inoperable.

4. Each water credit shall be equal to one-acre foot of water per year.

5. The number of water credits issued shall be based on the water use as determined on the chart attached to this MOA as Exhibit A. The water use shall be calculated based on the vegetation types, vegetation area being actively irrigated and corresponding annual groundwater consumptive use as specified in Exhibit A. BWD shall obtain the prior written approval of County for any vegetation not listed in Exhibit A and for the amount of water use calculated for that vegetation.

6. The irrigation of the land for which the water credits are issued shall have begun before January 1, 2008 and shall have continued until the date the application was submitted to BWD for the water credits.

7. BWD shall include the following certification on each Water Credit Certificate that BWD issues for water credits granted in compliance with this MOA:

The Borrego Water District certifies that the water credits listed on this Water Credit Certificate comply with all of the requirements of the Memorandum of Agreement Between the Borrego Water District and the County of San Diego Regarding Water Credits dated \_\_\_\_\_.

\_\_\_\_\_  
Borrego Water District  
General Manager

\_\_\_\_\_  
Date

8. BWD may issue water credits that do not comply with this MOA, but County will recognize only those water credits that comply with the requirements of this MOA.

9. County reserves the right to verify that water credits issued by BWD comply with this MOA. BWD shall provide information and answer questions related to water credits presented to County for offsets or related to BWD's groundwater use reduction program as requested by County. If, in spite of the certification described in paragraph 7 above, County determines that the water credits do not comply with this MOA, County will not recognize the water credits for offsets.

10. Either party may terminate this MOA on 30 days prior written notice to the other party. Notice of termination shall be addressed as follows:

To County:  
Director of Planning and Land Use  
[Address]

To BWD:  
\_\_\_\_\_  
\_\_\_\_\_

11. This MOA may be amended or changed only by a written amendment signed by both parties.

12. This MOA is an enforceable agreement.

Now, therefore, the parties execute this MOA as of the date first written above.

COUNTY OF SAN DIEGO

BORREGO WATER DISTRICT

By: \_\_\_\_\_  
Clerk of the Board of  
Supervisors

By: \_\_\_\_\_  
[title]

Approved as to form and legality  
County Counsel

Approved as to form and legality

By: \_\_\_\_\_  
Senior Deputy

By: \_\_\_\_\_  
[title]